

**August 29, 2006**

**Hand Delivered to State Budget Office**

The Honorable Mark Sanford  
Governor, State of South Carolina  
The State House  
Columbia, South Carolina 29201

**RE: FY2007-08 Budget Request – SC Department of Labor, Licensing & Regulation**

Dear Governor Sanford:

The South Carolina Department of Labor, Licensing and Regulation (LLR) is not requesting any additional state operating or capital funds, FTEs or proviso changes. Attached you will find LLR's Addendum for Cost Savings Assessment and Priority Assessment of Activities.

If you have any questions or would like further information, please call me. Thank you very much.

Sincerely,

Adrienne R. Youmans

Cc: Barbara Derrick

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: Section 50/R36/Department of Labor, Licensing and Regulation
- B. Agency Activity Number and Name: 1399 - Administration
- C. Explanation of Cost Savings Initiative: Move funding of Administrative Costs to Other Funds.
- D. Estimate of Savings: \$57,469

<b>FY 2007-08 Cost Savings Estimates:</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>				
(a) Number of FTEs				
(b) Personal Service	\$57,469			\$57,469
(c) Employer Contributions	\$0			\$0
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses	\$0			\$0
<b>Total</b>	\$57,469	\$ 0	\$ 0	\$57,469

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

No impact on customers or clients.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title: Administration Activity Number & Name: 1399	\$57,469	0	0	\$57,469	0	0	0	0
Initiative Title: Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00
Initiative Title: Activity Number & Name:	0	0	0	\$ 0	0	0	0	0.00
TOTAL OF ALL INITIATIVES	\$57,469	\$ 0	\$ 0	\$57,469	0	0.00	0.00	0

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section50/R36/Department of Labor, Licensing and Regulation
- B. Agency Activity Number and Name: 1354 – Occupational Safety and Health Program – OSH Review Board
- C. Explanation of Lowest Priority Status: The OSH Review Board is responsible for hearing and deciding contested cases, resulting from citations and penalties issued by the OSHA program. LLR wishes to present these cases (4) before Administrative Law Judges, which ensures cases are heard before qualified legal professionals as is done in other states.
- D. Estimate of Savings: \$20,000

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0
(b) Personal Service	\$0	\$0	0	0	0	\$0
(c) Employer Contributions	\$0	\$0	0	0	0	\$0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$10,000	\$10,000	0	0	0	\$20,000
<b>Total</b>	\$10,000	\$10,000	\$ 0	\$ 0	\$ 0	\$20,000

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

No impact.

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section50/R36/Department of Labor, Licensing and Regulation
- B. Agency Activity Number and Name: 1337 - Board of Pyrotechnic Safety
- C. Explanation of Lowest Priority Status: Does not meet the criteria of for licensure. The Board of Pyrotechnic Safety does not protect and preserve the safety, health and well-being of the general public. The Board does not have disciplinary powers. Violations are handled by corrective action or prosecution in Magistrates or General Sessions Court.
- D. Estimate of Savings: \$60,000

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	1.0	0	0	0	0	1.0
(b) Personal Service	\$40,685		0	0	0	\$40,685
(c) Employer Contributions	\$11,815		0	0	0	\$11,815
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$7,500	0	0	0	0	\$7,500
<b>Total</b>	\$60,000	\$ 0	\$ 0	\$ 0	\$ 0	\$60,000

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

No impact.

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section50/R36/Department of Labor, Licensing and Regulation
- B. Agency Activity Number and Name: Not yet assigned – Boiler Safety
- C. Explanation of Lowest Priority Status: Does not meet the criteria of for licensure. The Boiler Safety Program does not protect and preserve the safety, health and well-being of the general public. The law as currently written severely limits which boilers are inspected and registered. Most boilers are insured and insurance companies perform their own inspections.
- D. Estimate of Savings: \$122,310

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0
(b) Personal Service	\$0		0	0	\$65,000	\$65,000
(c) Employer Contributions	\$0		0	0	\$18,200	\$18,200
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$0	0	0	0	\$39,120	\$39,120
<b>Total</b>	\$0	\$ 0	\$ 0	\$ 0	\$122,310	\$122,310

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

**No impact.**

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section50/R36/Department of Labor, Licensing and Regulation
- B. Agency Activity Number and Name: 1394 – Pilotage Commission
- C. Explanation of Lowest Priority Status: Does not meet the criteria of for licensure. The Pilotage Commission does not protect and preserve the safety, health and well-being of the general public. No licenses are handled through LLR. The Commission investigates complaints and takes action.
- D. Estimate of Savings: \$5,000

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0
(b) Personal Service	\$0		0	0	0	\$0
(c) Employer Contributions	\$0		0	0	0	\$0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$0	0	0	0	\$5,000	\$5,000
<b>Total</b>	\$0	\$ 0	\$ 0	\$ 0	\$5,000	\$5,000

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

No impact.



FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: Section50/R36/Department of Labor, Licensing and Regulation
- B. Agency Activity Number and Name: 1387 – Board of Registration for Foresters
- C. Explanation of Lowest Priority Status: Does not meet the criteria of for licensure. The Board of Registration for Foresters does not protect and preserve the safety, health and well-being of the general public.
- D. Estimate of Savings: \$45,000

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0
(b) Personal Service	\$0		0	0	\$22,500	\$22,500
(c) Employer Contributions	\$0		0	0	\$6,525	\$6,525
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	\$0	0	0	0	\$15,975	\$15,975
<b>Total</b>	\$0	\$ 0	\$ 0	\$ 0	\$45,000	\$45,000

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):  
No impact.

F.

<b>Summary of Priority Assessment of Activities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name: OSH Legal Review	\$10,000	\$10,000	0	0	0	\$20,000	0
Activity Number & Name: Board of Pyrotechnic Safety	\$60,000	0	0	0	0	\$60,000	0
Activity Number & Name: Boiler Safety	\$0	0	0	0	\$122,310	\$122,310	1.0
Activity Number & Name: Pilotage	\$0	0	0	0	\$5,000	\$ 0	0
Activity Number & Name: Foresters	\$0	0	0	0	\$45,000	\$45,000	0
<b>TOTAL OF LOWEST PRIORITIES</b>	<b>\$70,000</b>	<b>\$10,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$172,310</b>	<b>\$252,310</b>	<b>1.0</b>